

April 15, 2004

WASHINGTON STATE LABOR COUNCIL
ATTN: DIANE MCDANIEL
314 FIRST AVENUE WEST
SEATTLE WA 98119

Subject: Complaint filed against Association of Washington Business - PDC Case No. 04-305

Dear Ms. McDaniel:

The Public Disclosure Commission staff has completed its investigation of your complaint received October 28, 2003, alleging that the Association of Washington Business (AWB) violated RCW 42.17 by making in-kind contributions to a statewide initiative committee that were not reported.

Your complaint was reviewed in light of the following statute:

RCW 42.17.170 requires lobbyists registered with the PDC to file frequent and detailed reports of lobbying activities, including monetary and in-kind contributions made to candidates, political party organizations, and political committees, including statewide initiative committees.

You alleged that AWB violated RCW 42.17 by making in-kind contributions in the form of staff time and other AWB resources to Workers Against Job Killing Rules (WAJKR), a political committee supporting Initiative 841, without reporting those contributions.

We found that:

- The WAJKR committee website listed under the heading "About I-841" "Speaker Requests" and "Press Contacts" that included Amber Balch, Director of Government Affairs for AWB, her e-mail address, and her telephone number at AWB.

- Ms. Balch included on her Monthly Lobbyist Expense Report (PDC Form L-2) for October 2003, in-kind contributions from AWB to WAJKR totaling \$829. That amount included the value of Ms. Balch's staff time and other related expenses for participating in newspaper editorial board meetings, forums and other media-related events that supported Initiative 841. Ms. Balch also disclosed a \$50 personal contribution to WAJKR on her October L-2 report.
- In its response, AWB stated that Ms. Balch was representing its members, and was not specifically working on behalf of WAJKR. AWB also contended that simply listing the names of AWB and Ms. Balch on the WAJKR campaign website did not constitute an in-kind contribution to WAJKR for which reporting was required. AWB said it wanted to err on the side of disclosure and reported Ms. Balch's activities.
- AWB indicated in its response that Don Brunell, AWB President, did not have a major campaign role with regard to the I-841 campaign as you alleged. Mr. Brunell wrote a newspaper column for dissemination to several newspapers in the state urging the passage of I-841. However, no evidence was found that this activity was done at the request or suggestion of WAJKR. Thus, there was not a contribution to WAJKR. Mr. Brunell filed L-2 reports for September and October 2003 disclosing AWB activities undertaken in support of I-841. During September 2003, AWB made an in-kind contribution to WAJKR for website development and maintenance totaling \$6,250. However, Mr. Brunell inadvertently reported \$625 for this contribution, mistakenly omitting a "zero" from the number on his L-2 report. Mr. Brunell also included a \$100 personal contribution to WAJKR on his September L-2 report.

The activities noted above do not warrant enforcement action.

After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing your complaint against Amber Balch, Don Brunell and the Association of Washington Business.

If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853 or toll free at 1-877-601-2828.

Sincerely,

Vicki Rippie
Executive Director

c: Kristopher I. Tefft, Director of Legal Affairs for AWB